



Minutes - Final

Legislative Hearings

Marcia Moermond, Legislative Hearing Officer
Mai Vang, Hearing Coordinator
Joanna Zimny, Executive Assistant
legislativehearings@ci.stpaul.mn.us
651-266-8585

Tuesday, January 11, 2022

9:00 AM

Remote

8:30 a.m. Hearings

Remove/Repair Orders

- 1 [RLH RR 21-70](#) Ordering the rehabilitation or razing and removal of the structures at 1722 REANEY AVENUE within fifteen (15) days after the December 22, 2021, City Council Public Hearing. (Public hearing continued to January 5, 2022; to refer back to January 11, 2022 Legislative Hearing)

Sponsors: Prince

Layover to LH January 25, 2022 at 8:30 am for update on third-party rehab decision & HUD update. PO to submit construction statement/bid.

Joseph Rossman, attorney o/b/o Reverse Mortgage Funding, LLC, appeared via phone

Moermond: were calling to check in and discuss where we are at with the rehab or removal of this property.

Staff update by Manager Steve Magner: a letter was sent out December 17, 2021 confirming that at the December 14, legislative hearing officer will ask the matter to be referred back to Legislative Hearing today if the following conditions are met 1) apply for Code Compliance Inspection prior to January 11 and 2) post Performance Deposit, and 3) maintain the property. We have had a couple Summary Abatement Orders for snow and ice, including a work order today to remove that. A letter also went out the 4th of January for the prior snow. Before that some dumped furniture. We do need a better job of the mortgage company maintaining the exterior.

Moermond: Mr. Rossman, you met the first two criteria but not the third. Is the house cleaned out and your client intending to rehab?

Rossman: yes, that is the plan. I believe there was an overlap with regards to some of the exterior maintenance. We were waiting until last Monday, January 3 to do the trash out. The exterior maintenance I advised my client to take care of it, they said it was, but I will reiterate to them that it needs to be a continuing requirement. I am sure they are aware but I'll get them onboard. My client's plan is to rehab the property. I would mention they have actually taken additional steps, they did get a bid from NorthSight Management for all Code violation repairs, which totaled about \$22,175. They are taking extra steps to try and get this matter moving forward and remedy the issues. A

third party did contact the client inquiring about a sale of the property, as is, where they would step in and take over and do the repairs. That is what my client wanted to present today. What effect, if any, this would have on the condemnation if they sold to that third party? Or is it not an option?

Magner: in a situation like this if a third party is brought in, they have to act as a contractor or agent of the owner. They would have a private contract approved by the City that says the third party is rehabilitation for the owner and once the Code Compliance Certificate is issued they can transfer title with the County and the real estate can actually change hands. We see it often where the first party doesn't want to do it and they bring in a third party. As long as the third party can produce a performance deposit and financing and bids and a schedule, those plans tend to get approved by Council.

Rossmann: so more or less it is a possibility, but any deed of transfer of ownership has to wait until the Code Compliance certificate is issued? So it's a possibility but it isn't a traditional way.

Magner: so if Reverse Mortgage Funding contracts with XYZ, who comes in and does the leg work and the repairs and have it finalized, issue the Code Compliance and the day that happens they can go to closing with a title company and transfer and they are free and clear. Because of the way the City has its ordinance, the original party is left holding the property until the nuisance violation is abated.

Rossmann: that makes sense. Any contract has to be approved by the City?

Magner: through this process. You would show the purchasing contract to the Hearing Officer to approve with the other items. Typically samples have been sent that have been approved in the past.

Moermond: does that help with your potential purchaser?

Rossmann yes, and prior contracts would be appreciated. I'm not sure what role my client wants to take. This is a new avenue for them. They are doing their best effort to try and comply with the City's requirements. They aren't in the rehab business so there is a lot of extra legwork they are trying to do as quickly as they can. I would add one more fact to that timeline, aside from potential sale, my client wanted the City to be aware that this property is HUD insured. HUD guidelines must be followed. The bid was submitted to HUD for consideration and approval. The timeline gave 2 to 3 weeks for a response to that bid. That was submitted last week, so probably an answer end of January. My client's intention is to continue to rehab or have a third party do it with that eventual transfer of title.

Moermond: we need to get that Code Compliance taken care of. Mr. Magner, does DSI have a lock box combination?

Magner: I don't know if the house has been trashed out. The application does have a lockbox on the back door with a code.

Moermond: great.

Rossmann: the property is cleaned out is my understanding from the client. They indicated the trash out was done last week. I can confirm that if needed.

Moermond: Mr. Magner, how far out are they on Code Compliance Inspections?

Magner: this got assigned January 7, so we're probably a couple weeks before they get to it.

Moermond: I'm going to call and see if we can get this expedited. It sounds like you have a bid?

Rossman: yes, that is correct and has been submitted to HUD. Their yes or no response should be determined by the end of January. My client just confirmed the property has been trashed out as well. Should be ready to go.

Moermond: I'm going to ask DSI to expedite this Code Compliance Inspection. Your contractor may need to modify that bid based on that Code Compliance Inspection Report in the event they didn't identify some things the City did. I'd like to talk again January 25 and check in with where you are at and if you are pursuing a contract with a third party. In two weeks we'll look to have the Code Compliance Inspection done. If we could get a copy of that construction statement and some sense of where you are at with the third party decision-making.

Rossman: that sounds good, thank you.

Laid Over to the Legislative Hearings due back on 1/25/2022

2 [RLH RR 21-60](#)

Ordering the rehabilitation or razing and removal of the structures at 1941 UNIVERSITY AVENUE WEST (STORAGE/GARAGE) within fifteen (15) days after the September 22, 2021, City Council Public Hearing. (To be referred back to September 28, 2021 Legislative Hearing)

Sponsors: Jalali

Layover to LH January 25, 2022 at 8:30 a.m. PO to submit 1) scope of work or architectural plans of proposed use for the space and preliminary contractor bids and 2) proof of financing by close of business January 21, 2022.

Mr. Dawit Solomon, President Eritrean Community Center of MN, unable to be reached
Mr. Essey Asbu, Secretary Eritrean Community Center of MN, appeared via phone

Voicemail for Ruth Ogbaselassie at 9:01 am: this is Marcia Moermond calling about 1941 University. We'll try calling in the other parties and try you back again.

Voicemail for Essey Asbu at 9:03 am: this is Marcia Moermond calling about 1941 University. We'll try calling in the other parties and try you back again.

Tried calling Belainesh Tekle at 9:04 am: no answer; didn't connect and no voicemail left.

Solomon: Ruth is out of the country.

Moermond: we'll go ahead and chat with you. We've tried to call in Essey Asbu, Ruth Ogbaselassie, and Belainesh Tekle. Should we try Essey Asbu one more time?

Solomon: please.

[Essey Asbu is called in]

Moermond: we last spoke 3 months ago and then we'll talk about what is going on and where we go.

Staff update by Manager Steve Magner: a letter was sent October 1, 2021 confirming at the September 28, 2021 Legislating Hearing laying the matter was laid over to today. By close of business Friday, January 7, 2022 please submit scope of work or architectural drawings of the place, preliminary bids, and property must be maintained.

Moermond: we haven't received anything from you about your plans for this building in 90 days. That's a long period of time. What is going on and why shouldn't the City move toward demolition due to lack of planning?

Solomon: we have been working towards that. We are behind, we realize that. We have a few things going on with the community in terms of getting things moving forward. We are working on budgeting in terms of how we want to redo the space. We apologize we have not gotten that to you. We need time to assess our ability in terms of doing it. We have worked on fundraising; we are behind but working towards it.

Asbu: we have asked for funding from the contact you gave us and were making good headway in securing that. That's the biggest issue, funding. The person working this issue primarily had to go overseas. So we stumbled a bit. We are working towards this and would like to rebuild because it is a huge loss if it doesn't get repaired. Demolishing would be huge loss for us. We don't have that kind of funding. We're trying to salvage as much as possible if we can. A little extra time if you can is all we are asking

Moermond: have you even talked to a contractor or architect to see what needs to be done and how much it will cost?

Asbu: we do, we talked to 2 people. We have estimates. The person doing it did leave with short notice. We were asking the price of demolition versus repair and one of the factors we looked at was the funding from the City. Because of the November election there was some kind of delay. We did talk to her.

Moermond: can you share those plans with me? Right now I have no evidence of your seriousness in engaging in this rehabilitation. You had three months to deliver something to my office showing you were working with someone. Three months is a long period of time. Please understand where I'm coming from. I'm not seeing plans and I'm hearing you don't have any money. Those 2 things together mean you can't fix this building with a hole the size of a car.

Solomon: we understand the dilemma you are facing. We aren't proud of this. The funding, you suggested we talk to Akbar. It looked promising. It isn't lack of seriousness, just a series of events that made it difficult. A little more time to get you the conversations we've had.

Moermond: I need a complete report in 2 weeks' time. Close of business January 21 so we have time to review before a January 25 hearing. I'll make a decision then on whether we continue to wait or move forward with demolition. You need to deliver and show me the ability to do the rehab and the financing on this. I don't have one piece of paper on either thing. I've heard many times you don't have the money so I'm concerned about that.

Solomon: we can forward that information.

Moermond: ok, we will talk again in 2 weeks.

Laid Over to the Legislative Hearings due back on 1/25/2022

10:30 a.m. Hearings

Making Finding on Nuisance Abatements

- 3 [RLH RR 21-67](#) Ordering the rehabilitation or razing and removal of the structures at 1034 BRADLEY STREET within fifteen (15) days after the December 22, 2021, City Council Public Hearing. (to refer to January 25, 2022 Legislative Hearing)

Sponsors: Brendmoen

Refer back to LH January 25, 2022 at 10:30 am. PO to post \$5,000 PD and submit paperwork showing initiation of judicial foreclosure action.

Samuel Coleman, attorney o/b/o Wells Fargo, appeared via phone

Staff update by Manager Steve Magner: letter sent November 24, 2021 confirming that the Public Hearing be continued to January 12, with a Legislative Hearing conducted today for update on the foreclosure process and rehab vs. removal decision. Apply for a Code Compliance Inspection and post a \$5,000 Performance Deposit, evidence of financing, affidavit, work plan and schedule. We don't have a Code Compliance application nor a Performance Deposit. January 10, 2022 a work order was created clear the sidewalk of snow and ice

Moermond: I know you were going to work with your client to determine whether it was expedient do move forward with the judicial foreclosure or not. Where are things at?

Coleman: we haven't made a whole lot of progress. My client has been attempting to reach Mr. Stein for the last month and a half with no success. The mortgage loan remains current, but it also limits what they can do. If it was in default it would be easier to move this property to foreclosure. At this point, I have reviewed the application for code compliance inspection report and I don't think Wells Fargo is probably going to rehab, but no final decision has been made. My request would be to grant 60 days for Wells Fargo to apply for the rehab permit and make the Performance Deposit. If that isn't submitted within 60 days, the property can be demolished. That would be my suggestion for resolving. I think they will continue to try to reach Mr. Stein but I don't think it will go anywhere. City hasn't had any contact with him?

Moermond: no, we haven't. Aside from him signing for the certified mail at the Lake Elmo address. I feel like you have had since the end of October when you signed for the notification so I'm not sure what an additional 60 days would do that you haven't already done.

Coleman: what are the emergent conditions that require it be demolished within the next 30 days. My understanding it is it secured and boarded. I'm not aware of squatters entering again. I would hope demolition is the final ultimate remedy for the City. With the loan still current—

Moermond: it has been in the Vacant Building program since August of 2019 during which time 32 orders were written for the maintenance of the property, and the snow wasn't shoveled last week. 36 work orders. It isn't being maintained and the neighbors have to put up with it. Another 60 days? It will take the City a certain amount of time even to do the bidding and demo. I was expecting to hear about a judicial foreclosure today. There has been no action whatsoever about resolving the nuisance condition at the property, up to and considering it continues to be a nuisance. What guarantee can you give me to show your client is in it to resolve the nuisance?

Coleman: as far as I know the October 2021 order to abate was the first time Wells Fargo was notified about the condition. I may be wrong about that.

Moermond: well, yes, you're right. The owner himself wasn't taking care of these things. You are absolutely right, but here we are with Wells Fargo wanting to mitigate losses on the property that has been an ongoing nuisance. The question to you is what is Wells Fargo going to do to take care of that? I don't have an owner stepping up. You haven't been able to get a hold of him either. It is kind of a private matter between you at this point, rather than the City. If you can resolve it and figure out how to get it fixed that would be great.

Coleman: the request for additional time, it is difficult to get a large corporate bureaucracy to move. That's the story of my professional life. My hope is that we could bring a judicial foreclosure action and the condition would be the condition of waste by the homeowner. I would hope we could get an order from the judge quickly to take possession.

Moermond: but you told me that November 23. I was anticipating at this hearing we'd have an answer about pursuing foreclosure and if they were and conditions about which the City's action could be stayed. You're asking for sixty days to make a decision; they've had six weeks already. The way I'd normally treat this you would at least have to post that 5K Performance Deposit and get the Code Compliance Inspection order. You don't have access to the property to do that. you can't get a hold of the owner to take care of the most basic business.

Coleman: I have been in touch with my client and I apologize we haven't made more progress since the last hearing. If there was a condition placed within 2 weeks if we have the Performance Deposit posted and the application submitted, I can whip my client into doing that if they want to do it. I'm just asking for more time to prod my client.

Moermond: let's look for a \$5,000 Performance Deposit and the paperwork initiating a judicial foreclosure action. I'm not sure you have access to do a Code Compliance Inspection should the City require that, am I right?

Coleman: yes.

Moermond: the City is not an owner; we cannot provide access.

Coleman: it has been boarded up and the front door and windows have been boarded?

Magner: when the City send a contractor out to secure the property we are doing the minimum level of securing so we minimize cost to the property owner and citizens. It is the responsibility of the property owner to reestablish the front door and put a new lock

on it along with a key box on it. The City only rarely will enter a property, maybe in an order to vacate and allow someone to remove their possessions. Generally the security company sent by the mortgage company would do those things. It isn't something the City would or could do.

Moermond: so Mr. Coleman would need to engage that.

Magner: securing companies can do it if they have the proper authority, and it is their responsibility to prove that to the contractor.

Moermond: let's lay this over for 2 weeks to get a definitive answer on the foreclosure action being pursued. That is demonstrated by the paperwork being filed, and get that Performance Deposit done. Those are the actions in order to get more time.

Coleman: understood.

Referred to the City Council due back on 1/12/2022

- 4 [RLH RR 21-75](#) Ordering the rehabilitation or razing and removal of the structures at 419 FRY STREET within fifteen (15) days after the January 12, 2022, City Council Public Hearing. (To refer to February 8, 2022 Legislative Hearing)

Sponsors: Jalali

Refer back to LH February 8, 2022 at 10 am. By COB February 4, 2022 PO to submit 1) proof of financing, 2) affidavit dedicating funds to the project, 3) scope of work including schedule, and 4) maintain the property.

Paul Johnson, owner, appeared via phone

Staff update my Manager Steve Magner: a letter was sent December 17, 2021 to confirm the matter was laid over to today. By close of business January 7 submit evidence of financing, pay the second half 2021 taxes, submit an affidavit dedicating funds to the project, proof of financing, bids, and schedule.

Moermond: off of that list we did get the taxes paid. Has it been maintained? I saw you sent an email saying taxes have been paid and you are talking to a contractor. Where are you at with the rest of that?

Johnson: the contractor is coming in the following Monday. I've sent him the Code Compliance Inspection Report. He indicated within a week he'll have a report based on that, by the 17th and we can move forward and I can show the proof of funds based on his contract. I was trying to get him in before January 1 but I didn't work out. He is coming out on Monday the 17th and can move quick after that to get that information to you. I have the taxes caught up. Hopefully I'm moving in the direction you are wanting.

Moermond: the other piece would be financing.

Johnson: sure, I was waiting for the number. I don't know what to prove until I know what it will cost.

Moermond: that makes perfect sense. Tomorrow at the City Council, I heard some urgency last time about getting going, I have two dates to continue this to based on

when you think you'll have your information together. I could go 2 or 4 weeks out.

Johnson: let's go 4 weeks so I have it fully ready next time. I just want everything in hand.

Moermond: ok, so February 8th. My expectation is having documents into my office February 4. Work with Joanna to make sure you have what you need to produce those things. Tomorrow is your first Public Hearing and I'll ask them to send it back to me February 8 for consideration.

Johnson: Thank you.

Referred to the City Council due back on 1/12/2022

5 [SR 22-3](#)

Review Request for a potential stay of enforcement of demolition for Steve and Richard Schoneck, for property at 288 AVON STREET NORTH.

Sponsors: Thao

Purchaser to submit 1) addendum to PA indicating title won't transfer until after CC Certificate is issued; 2) affidavit dedicating funds to project, 3) account statement from American National bank indicating sufficient funds for both purchase and rehabilitation, 4) detailed schedule including signed bids based on completed CCI report, and 4) property must be maintained.

Joe Steinmaus, purchaser, appeared via phone

Moermond: we're talking about doing a stay of enforcement for the demo of 288 Avon. I know you've talked to staff about what we're looking for.

Staff report by Manager Steve Magner: a letter was sent December 27, 2021 confirming the conditions that must be met to get time to rehabilitate the above-named property, to be met January 10. We received Code Compliance Inspection application and Performance Deposit this morning. In order to have a third party rehabilitate, the contract needs to be approved by Hearing Officer and title can't transfer until rehab is complete. I spoke to Mr. Steinmaus this morning and he met with the owner and they signed a purchase agreement, I don't believe they have closed, for him to rehab and once the Code Compliance certificate is issued then Mr. Steinmaus can transfer title with the County. Submit evidence of financing, I believe he submitted a document stating he has \$200,000 for the project, and an affidavit, work plans. He submitted a preliminary work plan that will need to be readdressed once the Code Compliance Inspection is done. I don't see a lot of concern from the standpoint that Mr. Steinmaus has been doing this for 25 years. We need more detailed plans and timelines. And last maintain the property.

Moermond: so we have the Code Compliance Inspection applied for. We have the Performance Deposit posted, great. You have a Purchase agreement Mr. Steinmaus?

Steinmaus: yes, signed 9:30 this morning.

Moermond: the version I have doesn't have a statement that the title transfer won't happen until rehab is complete.

Steinmaus: yes, I have it, I can send it.

Moermond: we do have a letter about financing. I would look for an affidavit dedicating those funds. The work plan, I see a one page bid from Newliano. They're kind of tossing out numbers and I'm not sure about subs and timing.

Steinmaus: I'll get a detailed report.

Moermond: that's the main thing there. It is vague now. So addendum, affidavit, and a work plan with some level of detail.

Magner: the code compliance won't be done by then. I know you asked for one to be expedited earlier, but I don't know they can do two in two weeks.

Moermond: you're right and Mr. Bruhn is on vacation next week, so let's push it to February 8 to talk again. I'll try and make sure Mr. Steinmaus gets the information sooner rather than later.

Steinmaus: perfect.

Moermond: we'll continue this four weeks and hopefully we can put it to bed then.

Laid Over to the Legislative Hearings due back on 2/8/2022

6 RLH RR 21-79 Making finding on the appealed substantial abatement ordered for 1013 JAMESON STREET in Council File RLH RR 21-49. (Amend to grant additional time)

Sponsors: Brendmoen

Grant to June 1, 2022 for finished exterior landings/footings and stairs on condition that balance of the code compliance issues complete and finalized by March 1, 2022. Continue the \$5,000 PD.

*James Vin Zant, contractor, appeared via phone
Ray Moore, owner, appeared via phone*

Moermond: this is a follow up hearing to see how far along we are with this property.

Staff report by Manager Steve Magner: letter was sent December 17, 2021 confirming that at the December 22 Council Public Hearing the matter was referred back to Legislative Hearing today. Please have inspector Nathan Bruhn to determine the percentage completed. Mr. Bruhn went out and an email from Monday stated it was at 90%.

Moermond: that's great, but we are a year in. Where are you at in getting 100 percent done?

Vin Zant: everything interior wise will be 100 percent done within a week. The plumbing inspector is out right now. Warm and mechanical are finalized. The remaining issues are exterior, the 3 small deck platforms have to be built and attached, and an exterior door and storms and screens. Other than that the property is basically done. Just that exterior work that will be a struggle to get done this time of year.

Magner: it is great the interior will be completed. The exterior items, with the exception of painting, we still see those done in the winter, maybe not as fast as normal. But we

get 30 degree days and people work. Is the contractor saying he won't have them done until spring? We need a time frame for those exterior items. Nathan will issue a Code Compliance certificate with conditions if it is things like exterior wall painting, but a construction item they would still want completed.

Vin Zant: we have temporary landings and stairs built outside. That makes the building usable in the winter. Landings, handrails, stairs, treads. They are just not the permanent ones.

Magner: talk to Nathan about the temporary status. If they meet code still, they just aren't cosmetically the finished project, then likely a Code Compliance cert can be issued. Just like someone may throw a \$50 countertop and sink in, but it isn't the finished project, but they can't get their granite for six months. Do it, make the City go away, and finish when you have a chance. Talk to Mr. Bruhn and ask what he will accept on the outside to get the Code Compliance Certificate issued.

Vin Zant: once we are done in a couple weeks it will be a functional house for any purposes. The landings are structurally ok but there are fastenings that aren't rated for long term. They will have to be rebuilt in the spring.

Moermond: let's have you reach out to Mr. Bruhn and find out what he is looking for. Sounds like the decking and footings maybe? The storms and screens can be done?

Vin Zant: sure. We can get those done.

Moermond: if you can get those storms and screens done and interior sign off, I'm willing to look at June 1 for the balance. If you get a sign off before that good for you, but the Council can give until then for the permanent landings. I'll continue the Performance Deposit until you get that sign off on your certificate.

Referred to the City Council due back on 1/26/2022

- 7 **RLH RR 21-77** Making finding on the appealed substantial abatement ordered for 1023 JESSIE STREET in Council File RLH RR 21-25. (To refer back to January 11, 2022 Legislative Hearing)

Sponsors: Brendmoen

Layover to January 25, 2022 at 10:30 am. PO submits 1) proof of financing (done) and 2) posts an additional \$5,000 PD. (CPH Jan 26, 2022)

Rosalinda Costilla, owner, appeared via phone
David Rocha, owner, appeared via phone

Moermond: we're at the one year mark on getting this rehabbed.

Staff update by Manager Steve Magner: a letter was sent confirming the matter was referred back to Legislative Hearing today. The following conditions must be met: have Nathan out to determine percentage completed, updated work plan, updated proof of financing, and must maintain the property.

Moermond: we have little progress in six months, what's going on?

Rocha: we finished the foam insulation. We have the sheetrock starting this week, after that 3 weeks is done we'll get fixtures in and plumbing and electrical in. Maybe

some painting and work on the floors. We had to wait on the foam installation because of a supply chain fiasco that took 2.5 months. The main reason it took so long is because of the present situation with the supply chain and contractors being able to finish. That took 50% of our time just waiting for them to start or finish. That's been an issue since day one when we put the HVAC in. we have records showing how long it took each contractor to finish and how long it took to get an inspection. That is about all I can say. A lot of it has been out of our hands, nothing to do with us not wanting to make progress. In this case the foam insulation so we could do the drywall called everything else to be put on hold. We put a new roof on we weren't planning to so we could continue doing the building work.

Moermond: looking at what you submitted, 3 pages of a work plan. One page is drywall and painting. One page is McQuillan bros plumbing. The third page is Holton electric contractors. I'm seeing that at the bottom you have total amounts of money. Is that what the bids are for doing the work?

Rocha: yes, that is the contractors we have.

Moermond: have they been paid in part?

Rocha: they should say how much we paid and how much we owe. That is money we've paid already. We didn't even include the decks or roof.

Moermond: how long to get this done?

Rocha: I'm aiming for the end of March barring any more hold ups. I have confidence I won't have any with the drywall and sheetrock. If they finish by end of January, I talked to both the other contractors and let them know they could come in the end of January. They seemed confident they could. They also want to see this finished. We all do. Get it over with. Electrical, Ted said it should only take a few days. Plumbing wasn't sure how long it would take. I wouldn't think more than a week. That would take us to the last week of February. I was shooting for the end of March to get the inspections done.

Moermond: I'm going to ask for 2 things to give you more time. One is documentation that you have this money in the savings account at the Highway Credit Union. I have the affidavit, but I need the account statement showing that. The other thing is, since we're past the 1 year mark, is posting an additional \$5,000 Performance Deposit. That means you have a \$10,000 Performance Deposit waiting when you finish. That is my practice after this long. I would give you to July 27, 2022 to finish the project. That would cover the timeline you're talking about and then we won't have to talk to in. when you get your Code Compliance certificate you'd get \$10,000 back instead of \$5,000. Any questions?

Rocha: you have the paperwork for financing. We'll send you a copy of the receipt they gave us from the credit union.

Referred to the City Council due back on 1/26/2022

1:00 p.m. Hearings

Vacant Building Registrations

8 RLH VBR 22-1 Appeal of Brian Galvin to a Vacant Building Registration Fee at 1503 VAN BUREN AVENUE.

Sponsors: Jalali

Waive VB fee for 90 days (to March 13, 2022).

Brian Galvin, owner, appeared via phone

[Moermond gives background of appeals process]

Staff report by Supervisor Matt Dornfeld: we opened a Category 2 Vacant Building in December 2018. Rehab had started and trades found some work being done around September of 2021 without permits and have put some penalties and double fees in the system. Since then there was a Code Compliance Inspection ordered and is on file as of October 7, 2021. The Vacant Building fee came due in December of 2021.

Moermond: what are you looking for Mr. Galvin?

Galvin: I purchased the home in April of 2020 at a sheriff's sale. I wasn't aware it was a Category 2 since I never had a Code Compliance list. I reached out to the City and got that and paid for it and whoever owned it prior had done work without permits, and that's where it was left. I spoke with Hoffman about the Code Compliance and repairs; I just was seeing if there was a way to not pay the fee this year. We're ready to do repairs. I plan to sell it; it is in great shape. It isn't run down. I paid it last year.

Moermond: it may be a different story if you had a sale review or a TISH, which is on the seller. You did some rehab without permits last fall and got called on it.

Galvin: I hadn't done anything. I have photos. Just painting and hardwood floors.

Moermond: I'm not sure why it is there then.

Galvin: yeah, he said work was done. He was surprised it was sold without a Code Compliance list and inspection. So I paid for the Code Compliance for him to do the walkthrough on it.

Moermond: what's the anniversary date Mr. Dornfeld?

Dornfeld: December 13, 2018.

Moermond: I'm willing to give you a 90 day waiver to March 13, 2022. If you have your Code Compliance by then there is no fee. If you can't, we can talk about paying the fee or letting it go to assessment and prorating if you're done in short order after that.

Galvin: that's fair.

Referred to the City Council due back on 1/26/2022

9 RLH VBR 22-3 Appeal of Maher Safi to a Vacant Building Registration Notice and Fire Inspection Correction Notice at 1354 SHERBURNE AVENUE.

Sponsors: Jalali

Grant the appeal and release the property from the VB program.

Maher Safi, owner, appeared via phone

[Moermond gives background of appeals process]

Staff report by Supervisor AJ Neis: this was a referral to our office from the FD. It was received as a complaint December 2, 2021. It was a Vacant Building and unsecured and was being used by some of the unsheltered in the garage and house. It was also sent to the Vacant Building division with the same complaint. Grant Heitman noticed the Certificate of Occupancy was due for renewal so scheduled a Certificate of Occupancy inspection and found minimal code violations in the property. The garage has since been demoed. It was a class A building. A Category 2 Vacant Building was opened at the same time. There is a reinspection for February 22, one is the smoke detector affidavit, a dryer vent and a couple holes that need to be patched.

Moermond: looking at the January 3 letter, it looks like there may be a typographical problem saying reinspection is January 3 which is the same day as the letter. So maybe a new version needs to go out?

Neis: I believe AMANDA corrects it automatically but that's under the Certificate of Occupancy folder. No, you are correct. January 3 as of January 3.

Moermond: so he will need a fresh letter after the hearing. Mr. Dornfeld sounds like you got the referral simultaneously.

Staff report by Supervisor Matt Dornfeld: we received a referral from both St. Paul Police Department and St. Paul Fire Department that there was criminal trespass and a fire that was lit in the garage. It was our understanding the Fire Department put the fire out and the police removed the homeless trespassers. Because of that activity I was advised by my supervisor to open a Category 2 Vacant Building due to it being vacant with code violations, which would be fire damage and open to trespass, and we opened a Category 2 Vacant Building on December 13, 2021. Since then I have spoken to the property owner multiple time and advised him to file this appeal. He has pulled a permit and demolished the garage. I'm sure we're here to discuss that Vacant Building status.

Moermond: it sounds to me like we have a building where the main problem was the garage with the fire, that is gone. The building which had a problem not being secured must have been secured since it wasn't called out by the F inspector. This tells me it isn't a great candidate for the Vacant Building program but does need its Certificate of Occupancy before it can be reoccupied. I'm going to recommend the Council grants your appeal of the Vacant Building registration and you are out of the program. Any concerns about the Fire Orders?

Safi: thank you. I got a call that night saying that there are homeless guys cooking in the garage. The next day I immediately took action and secured the building and also demolished it a few days later so it wasn't an issue. I resecured the house with bolts and plexiglass. Since then I have repaired the windows and fixed 90 percent of the issues. There are very minor issues, I have smoke detectors and alarms. I also requested the Fire Department report and they said there was no fire, it was just people cooking in the vacant garage. I was told by the Fire Inspector that the reinspection would be a month from January 3, that was my understanding. I am almost there and everything will be done. On December 21 I contacted my agent to sell the house. When we finish the reinspection we'll put it up for sale. This was the first time I heard

about these rules, so I apologize.

Moermond: so you're out of the Vacant Building program. A few corrections which sound doable and you're aware of. I can tell you that if you want to you can substitute that Fire Certificate of Occupancy for a TISH inspection report. That may save you some money, especially if the purchaser is using it as an investment property. I am hearing Mr. Neis say February 22?

Neis: it just says February 22. We will get him a new letter with the exact date and time. Did you set up that date with Mr. Heitman?

Safi: no, I told him I didn't need more than a month. That's all I know; I haven't got any letters or appointments.

Moermond: how soon would you like that inspection Mr. Safi?

Safi: first or second week of February would be good.

Moermond: Mr. Neis, you can have your staff send an appointment out that first or second week of February then.

Referred to the City Council due back on 1/26/2022

10 [SR 22-11](#)

Review Request for Appeal of Shekita Moore to a Vacant Building Registration Notice at 201 GENESEE STREET.

Sponsors: Brendmoen

Layover to LH January 18, 2022 at 1 PM (unable to reach property rep).

Shekita Moore, tenant, appeared via phone

Voicemail with Serrano at 1:32 pm: this is Marcia Moermond calling from St. Paul City Council to discuss 201 Genesee. I need to know where you are at with doing the repairs so it can continue to be occupied. I'll talk with your tenant for a bit.

Moermond: Ms. Moore, when we first spoke you were interested in finding someplace else to live. You didn't want to stay because of the long-term problems. Has that changed?

Moore: no, it has not. I'm still trying to move but I don't know what Section 8 has going on but they keep prolonging it which made me lose the home I got approved for. So I'm back at square one. They were going to find me another place to go, they couldn't hold the one they were holding.

Moermond: tell me more about that. Why were they holding it and you weren't moving in?

Moore: I don't know. I had to contact Washington DC HUD because I was not getting any response from my section 8 worker, the director, anyone. Ignored calls and emails. The property told me that continue to hold it. Other people could have been renting it.

Moermond: who approved you for it?

Moore: the property housing company, just like any rental property. They helped me

find a place.

Moermond: a landlord, got it.

Moore: yes the landlord couldn't hold it.

[Ms. Serrano is called at 1:36 p.m. – no voicemail left]

Moore: they don't ever answer anything

Moermond: I really need them to step up and do some repairs on this. I don't mind if you continue to live there but I need them to do something. Are they getting rent?

Moore: no. As of December 31 Section 8 stopped payments to them because they weren't supposed to even been paying them. They actually have to reimburse Section 8 for November and December due to them not having a Certificate of Occupancy.

Moermond: right, we've been working on this a while. This went in the program October 20th. Four months ago. We've done extensions and I need to call it a day unless the landlord will say they will do the fixes. I'll put this on my schedule for next Tuesday and we'll try one more time. In the meantime I will tell you I'm only looking at pushing this to February 1 without the landlord stepping up.

Moore: that's the reason I don't want to be here. You've give them so many chances, they don't do anything. I did the rent help from July until October because I couldn't pay my portion. They paid him \$15,000 because he sent them in that I owed money that I didn't owe. It isn't accurate. You'd think you'd do something to your property with that money at least. He hasn't been here.

Moermond: we'll try again next Tuesday and see if we can get a commitment from the property manager otherwise we'll give a February 1 date.

Moore: I appreciate it.

Moermond: we'll try you again next Tuesday.

Laid Over to the Legislative Hearings due back on 1/18/2022

1:30 p.m. Hearings

Orders To Vacate - Fire Certificate of Occupancy

- 11 RLH VO 22-2** Appeal of Noah Rector to a Revocation of Fire Certificate of Occupancy and Order to Vacate at 390 SIMS AVENUE.

Sponsors: Brendmoen

Deny the appeal of on the revocation of the Fire C of O. Grant an extension allowing continuing occupancy if following conditions are met: 1) by February 1, 2022 for compliance with items 8-12, 13, 14, and 16-18 and 2) June 7, 2022 for balance of the orders.

Noah Rector, owner, appeared via phone

[Nhia Vang appeared as Legislative Hearing Officer and gave background of appeals process]

Staff report by Supervisor AJ Neis: our office received a complaint June 11, 2021 for holes in the exterior, rodent issues inside. Ultimately those orders were transferred to Certificate of Occupancy by inspector Franquiz. Inspector Franquiz found multiple code violations throughout. Sounds like owner isn't disputing violations exist, just additional time to comply. It was revoked for long-term noncompliance.

Vang: Mr. Rector, why are you appealing? How much time would you like?

Rector: I had a treatment center pre Covid. They couldn't shelter in place compliantly which left me with 3 separate properties. I sold two. This was built in 1920 so we were trying to get sober housing for 8. Then we realized we don't have any room for sober housing in this neighborhood because the treatment center is no longer in business. I tried to downshift to a residence. I was given a year when I met those expectations. There was an argument between the section 8 tenant and the neighbor about where the squirrels were coming from. I can't meet Inspector Franquiz's standards without gutting the entire place. My dilemma is I have a tenant on disability and because of bureaucracy is having trouble getting section 8 to transfer her and her son. I don't feel ethically inclined to kick them out myself. It is 10 degrees and they are disabled. I'm not trying to pretend I'll get this up to rental. No one wants rentals in this area. I think the Department is justified as looking at the whole neighborhood and tightening things up. There are squirrels in all the houses. I'm trying to get out of this, but I can't leave this woman on the street until federal section 8 finds somewhere. She's been in the program 10 years. I'm not even being paid by them; they owe me \$10,000. I will not dispute this is not rentable. I will turn it back to a normal residential home and sell it. I will sell it as I bought it 5 years ago. I did pass it 5 years ago. None of the issues Franquiz brought up existed a year prior that no one brought up. I'd just like time to get her a different place to live. Then I will sell.

Neis: a lot of the work here. This received a Code Compliance approval in May of 2019. We are not at all insinuating this house has structural issues. A lot of the work is work that could be done simply, for example a loose toilet on the second floor. That's not structural. A loose basement handrail. Properly secure the dryer vent. A missing carbon monoxide detector on the second floor. Providing a hardwire smoke alarm. This is a maintenance punch list that could be done in 2 weeks, if not a weekend. They aren't major challenges.

Rector: I'm sorry for interrupting. I was only meaning to piggyback on my agreement that none of them are a big deal. I would only add the contracting environment. Some of those things need permits. I've been trying to just get Joe Handyman come out for a long time. I have \$4,000 in the roof and gutter repair; they haven't been out. I paid that 2 months ago. Some of the stuff has been done but I can't get my tenant to be there when Franquiz comes to look. He's fed up with him coming and not been there. I have called everyone on Angie's list and basically their message is they are slammed, call us in April. I'm not going to do the work myself and do an unprofessional job. She knows she is moving out.

Vang: is she still living here or is she in temporary housing?

Rector: she is still here. That is the dilemma we're having. If she wasn't I would say shut it down and get a TISH.

Vang: *my concern is that the smoke detector, number 16, the basement has some electrical stuff. It is concerning she is still there. I get that you don't intend to rent it again. And I'd like to verify you have no intention of re-renting it.*

Rector: *yes. I intend to sell.*

Vang: *does all of this need a contractor or can you manage it? Some things seem reasonable that you could do.*

Rector: *I agree. My kids are in and out with Covid from school and I spend 8 hours a day doing online therapy and management for special ed schools. Then I have private clients. I have barely left by basement in a year. I'm trying to keep my business pivoting away from sober support. I'm not a handyman. I wish I had any time to do it. It's a 50 foot ladder, that won't get done. I hired a roofing company and they have half the deposit but it has been several months. I keep calling and they say "soon."*

Vang: *looking at the list and comparing that to a different order to vacate form last July. There were only 3 items then. You got it in compliance then. I get Covid has impacted everyone. I'm just seeing doable items due to the fact the resident is still there and the weather is so cold. I'm worried about their safety. In order for me to give additional time, I would like the advice of Mr. Neis on the 20 item list. What would ensure it is habitable for the tenant? The fact the tenant is disabled and I don't know the disability makes it even more problematic.*

Rector: *were talking about developmental for the son and some mental health sobriety issues for the mother. But I won't speak on her behalf. Not a medical issue.*

Neis: *the key for this would be going down the list. Item 1, improperly disposing of cigarettes. Stop doing it. I understand it is hard on the owner to enforce that. Make sure they have a place to put them. The exterior front stairs has a wobbly guard rail and the front handrail is missing. Not the best situation during ideal weather, but more challenging. Can't clean out gutters by any means. At a minimum I'd like mesh preventing squirrels from getting in the soffits. Let's prevent more damage plus the unsanitary conditions they cause. Maybe not professionally repaired but getting it sealed. Getting the dryer vent fixed. That is a life safety issue if it isn't properly installed. Take the dryer out all together and cap the gas line or get it properly fixed. That is a must. Item 11, the handrail in the basement. That could be tightened up before it breaks off completely. Item 12, securing the toilet. That isn't seasonal. Easy to take care of. Hole by the back entry door I'm not worried about. Item 14, carbon monoxide alarm needs to be replaced. Not worried about section of kitchen floor. Item 16, smoke alarms need to be restored. Item 17, concerns with a worn outlet. 17 and 18 getting rid of extension cord for microwave in bedroom. Then the other items aren't as large of concern.*

Vang: *that sounds reasonable. Mr. Rector?*

Rector: *absolutely. We've repaired most of that but when it comes time for the inspector to come she has trouble following through with the appointment and then it is on me and I'm in California or whatnot. I need to be there and walk him through. The blue tape, the screwdriver to fix the railing. We did move the dryer and vent it differently. He hasn't seen that because he hasn't received access. Part of the tenant's issue is men and law enforcement. I'm trying to be flexible and reasonable.*

Vang: *given it is winter and some of the items listed are hard to do. The ones he said*

are a must and reasonable to do, I would like to give you five weeks to resolve on the condition you schedule an appointment with the inspector. February 15, 2022.

Rector: yes.

Vang: work with Neis and his staff to schedule time. It is on you for someone to be there when the inspector shows up.

Rector: I will be there myself. Thank you for your flexibility.

Vang: I also want a guarantee from you that you won't be leasing this again.

Rector: never again. I am not good at it. Covid murdered all of that for me. We're pivoting.

Vang: that sounds reasonable, staff will email you a letter with what you need to do. I wish you well.

Rector: thank you for your flexibility and patience.

Referred to the City Council due back on 1/26/2022

2:00 p.m. Hearings

Fire Certificates of Occupancy

- 12 **RLH FCO 22-2** Appeal of Paris Getty to a Correction Notice-Complaint Inspection at 855 THIRD STREET EAST.

Sponsors: Prince

Grant the appeal and release the property from the Fire C of O program.

Called at 2:05 pm – unable to leave Voicemail (mailbox full)

Paris Getty, owner, appeared via phone

[Moermond gives background of appeals process]

Staff report by Supervisor AJ Neis: this is a referral complaint our office received back in November 28, 2021 that the home was possibly being rented, no longer owner occupied, and didn't have a Fire Certificate of Occupancy. The inspector had looked at St. Paul Regional Water Services bills and it was being billed to the property owner at the address. The inspector made multiple attempts to contact the property owner and the Voicemailbox was full, just like today when we called earlier. So challenges there. Since we couldn't get a hold of them, we sent a letter about obtaining a provisional Certificate of Occupancy. The appeal indicates they are running a sober house and that's what we know so far.

Getty: I have lived here since 2017. I purchased it through the federal government through a HECM mortgage, a reverse mortgage. The person who owned it previously defaulted on the provisions of the mortgage, so I picked it up at a reasonable price and proceeded to put \$80,000 into it. I lived here since 2017. The upstairs there are 3 rental units on the second floor. As far as I'm concerned it is owner occupied. I am

running a harm reduction facility which means that I'm less concerned about usage as long as there is an attempt to cut down on usage. I don't kick someone out if there is some usage as long as it is going in the right direction. That's the definition of harm reduction. You don't throw someone out because of some usage.

Moermond: when you say 3 units, can you describe what you mean?

Getty: when I remodeled I cleaned up the upstairs and I made it more of a living situation. I am handicapped and lost my right leg. I'm on an elder waiver. I have a fund each year to provide me with a PCA. I have a proposal that we are putting out for bid where—I own the lot next to me too. I intend on expanding as far as putting in a lift so I can have access to the basement and second floor. If I go to the second floor now it is very strenuous. I need help climbing the stairs. There is a bid out and I can have \$20,000 per year for 2 years. The State requires that I use a contractor that has provided services to the State. I have identified one, I need 2. In the spring as soon as the ground thaws I intend to have one of the providers install a lift and then my year starts in July.

Moermond: let's go back to the 3 units upstairs. What do you mean by "unit"? Doors locking? Bathroom and kitchen access?

Getty: the unit is self-contained. There are people that come into my unit on a regular basis. I do exchange rent for PCA services. The three units have their own bathrooms, kitchens and living rooms.

Moermond: so you have four units in your house?

Getty: yes.

Moermond: and each has their own kitchen and bathroom?

Getty: no no, I have my kitchen washer and dryer. Upstairs has one kitchen and washer and dryer. They share that kitchen and washer and dryer and have access to my kitchen.

Moermond: is it open to the two floors?

Getty: it is open, but I do shut it off at night. I believe that there is no explanation as to why the City has said I need a fire certificate. I thought as long as it is owner occupied and sober house they consider it to be a family.

Moermond: the sober house may not come into play at all. What I'm trying to do is diagnose the living situation there. I'm going to ask Mr. Neis if he has some follow-up questions for you.

Neis: how many people live under this roof?

Getty: four.

Neis: so three in one unit and one in yours, yourself?

Getty: they are interconnected but I can obtain privacy by locking an interior door.

Neis: so 3 roommates and yourself.

Getty: yes.

Neis: tell me about this permit in 2020 for a change from Single Family Home to duplex and removing interior stairway.

Getty: the stairway still exists. When I found out there was a \$15,000 payment to the Met Council the Contractor I consulted didn't inform me of that. So I put the duplex-ability on hold. Intend to get a permit.

Neis: so you have an illegal duplex?

Getty: no.

Neis: you purchased it as a single family home with one kitchen?

Getty: yes.

Neis: you added a second kitchen.

Getty: yes.

Neis: so you have an illegal duplex.

Getty: no.

Moermond: can you explain, one of the things I am hearing is you can lock the door. Is there another way out if they aren't coming through their unit? Explain that?

Getty: yes, there is a 2 story deck.

Moermond: so they aren't locked upstairs with no way out.

Getty: no, definitely not.

Moermond: I'm struggling. We have the ability to lock the spaces but the spaces are used by both? Tell me, yikes. It is sounding like a duplex.

Neis: I have grave concerns about kitchen facilities installed without permits. Who installed those lines without permits? Who installed the stoves and washer and dryers under permit?

Getty: Bosch.

Neis: is this a boiler or furnace?

Getty: boiler. It is hot water.

Neis: I have concerns about modifications to the home without proper approvals.

Getty: I took permits out for the deck and interior work. They were posted and I had inspections.

Neis: the only permit I see in 2017 was plumbing.

Getty: *should be electric.*

Neis: *permit in 2017 for a washer, bathtub, sink.*

Moermond: *warm air vent. Plumbing. Electrical. Building. There are different rules for zoning and the sober house. I believe you are an owner occupant. The conversation seems to be about whether things are set up safely for everyone. The record does show some permits being pulled. Mr. Neis, do you have additional questions?*

Neis: *there are notes from David Eide about a Voicemail from Getty about legalizing second unit by end of 2020. They closed the complaint because he didn't follow through. Said he was planning on converting to duplex and thought previous pulled permits did that. He demolished the home to the east and plans on pulling the permits to legalize. He can convert to duplex. Saying he didn't know it was done is incorrect as he was informed in May by Zoning.*

Getty: *I didn't go through with it because of the \$15,000 requirement. I do intend on getting a permit. I have a caseworker with the elder waiver program. I need a lift installed that will allow me to travel between the basement and first and second floors.*

Moermond: *I know you are an owner occupant. Regardless of the kind of people living with you, it doesn't make a difference Zoning-wise. I'm also hearing that you may have turned this into a duplex without clearing the proper hurdles and you thought by not paying the fee you were pulling out of that. But we may have a physical duplex. The fire inspector would like to make sure there are safe exits and entrances for everyone. You may not need a Fire Certificate of Occupancy, but it would be a zoning concern.*

Neis: *basically zoning has already cleared it to be done. It is a matter of permits to make sure it was done legally and safely, which is what we don't know. The work was done without permits.*

Getty: *that isn't correct sir. I stopped in terms of the conversion process.*

Moermond: *it looks like Nathan Bruhn was the inspector in 2017. His notes say work needs to be done. I think we need to talk to the building inspector about where things were left. It doesn't look like the building permit was closed.*

Getty: *I'm not sure that is correct. You'll find there was a final inspection.*

Moermond: *there are a number that do have finals, but the building permit does not. It is one of several. The work is valued at \$9,000.*

Neis: *all of the permits were for this to be used as a single family home, not a duplex.*

Getty: *I did not go through with the duplex, the electrical and plumbing would have been modified I didn't do that.*

Neis: *but you are using it as a duplex.*

Getty: *I'm not.*

Neis: *you have a separate entrance you can lock.*

Getty: *then I won't secure the door. I can remove the lock.*

Moermond: I'm looking at whether you need a Fire Certificate of Occupancy and the answer there is no, you do not. Do you have a potential problem about potential duplex status? You might.

Getty: but keep in mind I need to have a lift installed. Other than finding that contractor, I have the funds for that.

Moermond: that's kind of beside the point. What you describe as having a unit with its own kitchen and bathroom with its own ability to enter and exit. Making sure all the right permits were pulled. Sounds like legally you can have a duplex but maybe not all the permits were done correctly. You may have turned it into a duplex while permitting was done for a single family home. For today's purposes I'm granting your appeal, no Fire Certificate of Occupancy needed. You may have enforcement upcoming with respect to single family home or duplex.

Getty: alright. Keep in mind the lift being installed.

Moermond: it won't make a difference for this conversation though.

Getty: it might, it will serve as accessibly between upstairs and other parts of the house.

Moermond: a locking door there means it wouldn't make a difference.

Getty: consider the locking door gone.

Moermond: and I'm not sure I'm comfortable with that because in previous conversations you said you were taken advantage of by a caretaker's boyfriend.

Getty: I said he was running a scrapping operation and he's been removed.

Moermond: yes, exactly. How that happened and the nature of our conversation—

Getty: it happened because he had an operation on the property, parked here, it had nothing to do with a unit upstairs.

Moermond: and I'm connecting that back to the locking situation and your safety being affected.

Neis: I'll be forwarding your file to Lisa Martin for follow- up.

Getty: keep in mind my intent is to install this left and it will not be lockable. It will be accessed by myself and anyone else who wants to use it.

Referred to the City Council due back on 1/26/2022